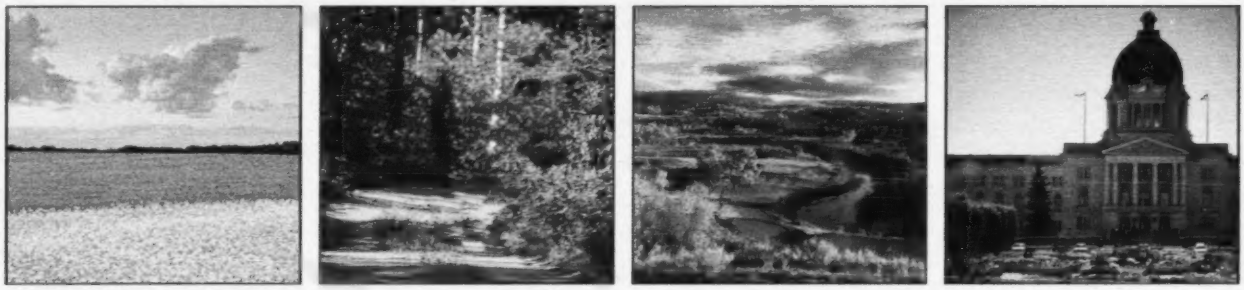
Saskatchewan Liquor and Gaming Authority



Plan for 2017-18

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Government of Saskatchewan

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Statement from the Minister

The Honourable Jeremy Harrison

Minister Responsible for the Saskatchewan Liquor and Gaming Authority

I am pleased to present the Saskatchewan Liquor and Gaming Authority's (SLGA) Plan for 2017-18. The Government's direction and Budget for 2017-18 is focused on *Meeting the Challenge*, finding the right balance between addressing the deficit and ensuring the Saskatchewan people continue to have the programs, services and infrastructure that they need. Government will deliver sustainable, high quality public services in the most cost-effective way possible.

SLGA's 2017-18 Plan is focused on continuing to deliver the new liquor retail model to the citizens of Saskatchewan in order to provide more choice, convenience and competitive pricing. SLGA's net income provides sustainable funding in support of government programs and services. This Plan will focus on promoting net income growth in a socially responsible manner through changes to the VLT program and collaboration with partners and stakeholders under the new liquor retailing model. Promotion of an engaged workforce will continue and employees are encouraged to bring forward improvement ideas to foster a culture of continuous improvement and safety. SLGA will strive to provide a great customer experience and will engage customers and measure customer satisfaction to achieve that goal.

I am committed to report on the progress made towards this Plan in the 2017-18 Annual Report, and I look forward to the opportunity to further our Government's commitment to *Meeting the Challenge* through strategies that support sound economic growth and shared prosperity.

Response to Government Direction

The Government of Saskatchewan is committed to *Meeting the Challenge* of the current fiscal situation. In so doing, Government will continue to support and encourage economic growth, and ensure government services are affordable and sustainable in the long term. This will include pursuing transformational change so that Saskatchewan people have the programs, services and infrastructure they need now and in the future.

This focus will continue to advance Government toward the realization of Saskatchewan's Vision and goals.

Saskatchewan's Vision

"... to be the best place in Canada – to live, to work, to start a business, to get an education, to raise a family and to build a life."

Sustaining growth and opportunities for Saskatchewan people

Meeting the challenges of growth

Securing a better quality of life for all Saskatchewan people

Delivering responsive and responsible government

Saskatchewan's Vision and goals provide the framework for ministries, agencies and partners to align their programs and services and meet the needs of Saskatchewan's residents.

All ministries and agencies will report on progress in their 2017-18 annual reports.

Operational Plan

Mission Statement

We serve Saskatchewan people with excellence, contributing to economic growth through the socially responsible distribution and regulation of liquor and gaming products, directly and with our partners.

Government Goals

Sustaining growth and opportunities for Saskatchewan people

Meeting the challenges of growth

Securing a better quality of life for all Saskatchewan people

Delivering responsive and responsible government

Strategic priority from the *Saskatchewan Plan for Growth*: fiscal responsibility to support growth; financial performance.

SLGA Goal

Ensure SLGA's net income meets or exceeds budgeted payment to the province's General Revenue Fund.

Strategy

Improve liquor net income.

Key Actions

- Implement strategy for SLGA wholesale operations and SLGA Retail Inc. stores that meets customer needs and maximizes profitability.

Strategy

Improve gaming net income.

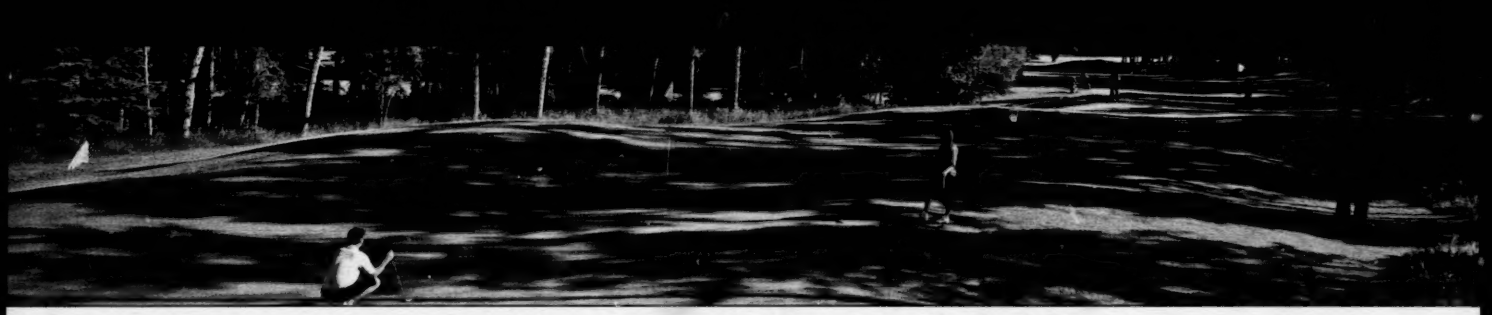
Key Actions

- Implement province-wide VLT progressive program.

Performance Measures

Net Income

By March 31, 2018 SLGA's net income will improve to $523.3 million, an increase of 2.4% to meet its budgeted payment to the General Revenue Fund.



Government Goals

Sustaining growth and opportunities for Saskatchewan people | Meeting the challenges of growth | Securing a better quality of life for all Saskatchewan people | **Delivering responsive and responsible government**

Strategic priority from the *Saskatchewan Plan for Growth*: building a better quality of life for Saskatchewan people; social responsibility.

SLGA Goal

Alcohol and gaming products are used responsibly.

Strategy

Increase availability of information to allow individuals to make informed decisions.

Key Actions

- Implement a responsible gaming module for VLTs to encourage responsible play.

SLGA Goal

Alcohol and gaming products are provided safely and fairly.

Strategy

Improve refusal of service to minors and intoxicated individuals.

Key Actions

- Pilot a program for the use of minors as agents to determine compliance with liquor regulation that prohibits the sale of alcohol to minors.

Strategy

Improve the safe and fair provision of alcohol and gaming products.

Key Actions

- Implement a framework to improve the quality assurance of beverage alcohol products distributed by SLGA.

SLGA Goal

SLGA is a good corporate citizen.

Strategy

Increase Corporate Social Responsibility.

Key Actions

- Investigate and evaluate options for Corporate Social Responsibility activity.

Performance Measures

Identification Check/Refusal At Point Of Sale

The number of identification checks performed on individuals who appear to be under the age of 25 and the number of times minors or intoxicated individuals are refused service will be monitored at the point of sale in SLGA Retail liquor stores. SLGA Retail has set a goal of 5% of total customers that will be asked to produce identification.

Compliance With Server Intervention Training And Responsible Gaming Training

Owners, managers and individuals employed in the sale and service of beverage alcohol in commercial permitted premises are required to take server intervention training. SLGA will track the percentage of commercial permittee owners that have taken the training. VLT site operators are required to take responsible gaming training. SLGA will track the percentage of site operators that have taken the training with a goal to have 100% of site operators trained.

Government Goals

Sustaining growth and opportunities for Saskatchewan people

Meeting the challenges of growth

Securing a better quality of life for all Saskatchewan people

Delivering responsive and responsible government

Strategic priority from the *Saskatchewan Plan for Growth*: increasing Saskatchewan's competitiveness; customer service excellence.

SLGA Goal

To provide a great customer experience.

Strategy

Exceed customer expectations.

Key Actions

- Establish customer service standards for all customers.
- Engage customers and measure customer satisfaction.

Performance Measures

Customer Satisfaction

In 2017-18, SLGA's goal is to establish customer service standards for all of its customer groups.

Government Goals

Sustaining growth and opportunities for Saskatchewan people

Meeting the challenges of growth

Securing a better quality of life for all Saskatchewan people

Delivering responsive and responsible government

Strategic priority from the *Saskatchewan Plan for Growth*: fiscal responsibility to support growth; continuous improvement.

SLGA Goal

Efficient, effective programs and services.

Strategy

Improve efficiency, effectiveness and relevancy of programs, processes and services.

Key Actions

- Replace the Retail Point of Sale infrastructure for SLGA Retail liquor stores.
- Analyze and implement improvement as necessary to the SLGA liquor supply chain to support the new liquor retailing model.

Strategy

Strengthen the corporate culture of continuous improvement.

Key Actions

- Refresh the continuous improvement plan with a focus on training, planning, reporting and communication.
- Implement continuous improvement e-learning module.

Performance Measures

Operating Ratio

The cost associated with achieving each dollar of SLGA Retail liquor store, SLGA wholesale and VLT revenue will be tracked. The VLT ratio is determined based on net income over revenue with a goal to be over 70%. The SLGA Retail liquor and SLGA wholesale amounts are determined using total expenses over total revenues with a goal to be established.

Government Goals

Sustaining growth and opportunities for Saskatchewan people

Meeting the challenges of growth

Securing a better quality of life for all Saskatchewan people

Delivering responsive and responsible government

Strategic priority from the *Saskatchewan Plan for Growth*: increasing Saskatchewan's competitiveness; workplace excellence.

SLGA Goal

Achieve a culture that consistently reflects SLGA's core values.

Strategy

Increase attraction and retention with a focus on youth and diversity.

Key Actions

- Develop and implement a youth attraction and retention strategy.

Strategy

Improve employee knowledge and experience.

Key Actions

- Implement a corporate employee training and development plan with a focus on customer service excellence and continuous improvement.

Strategy

Improve employee health, wellness and workplace safety.

Key Actions

- Set objectives and develop a plan for the implementation of the National Standards for Psychological Health and Safety.

Performance Measures

Injury Rates

The recorded number of medical aid and time loss injuries resulting from any event or exposure in the work environment will be measured with a goal to reduce the number from the previous year by 5%. The overall goal is to achieve a reduction of 45% by 2020 based on 2015 numbers.

Representative Workforce Data

Work toward improved representation of SLGA's workforce measured by monitoring the percentage of new hires from the four diversity categories (Aboriginal people, women in under-represented and management groups, persons with disabilities and visible minorities), with a goal of 30%.

Financial Summary

SLGA's 2017-18 financial plan supports the organization's key strategies that are designed to assist Government in achieving its plan for *Meeting the Challenge*. The main financial outcome for SLGA is its net income target which consists primarily of the following components: provincial VLT revenues, Saskatchewan Indian Gaming Authority (SIGA) net income and profits from the liquor sector.

SLGA's net income is essential to supporting broader provincial objectives. For 2017-18, SLGA is budgeting a net income of $523.3 million. SIGA net income is forecast at $82.0 million and VLT net income is budgeted at $180.7 million. Liquor retailing and liquor wholesaling is expected to net SLGA $300.2 million. The net income from these areas is offset by the net cost of licensing, regulation and support in both the liquor and gaming areas of $39.6 million.

Overall, SLGA's capacity to continue to generate additional revenues is impacted by a variety of economic variables, weather and public policy choices. Maintaining a balance between revenue generation and social responsibility contributes to SLGA's success in supporting government goals.

For more information, see the Budget Estimates at: http://www.saskatchewan.ca/budget

For More Information

Please visit the Saskatchewan Liquor and Gaming Authority's website at http://www.slga.com